

Debtors' Ex. 99

Laws of Puerto Rico Annotated Currentness
Title 18. Education
Part II. University of Puerto Rico
Chapter 40A. Appropriations

18 L.P.R.A. § 621-1

§ 621-1 Appropriation of funds

(a) Beginning in Fiscal Year 1997, there shall be appropriated to the University of Puerto Rico, a sum equal to nine point sixty percent (9.60%) of the average total amount of annual revenues collected pursuant to the laws of the Commonwealth of Puerto Rico and deposited into the General Fund of the Commonwealth Treasury in the two (2) fiscal years immediately preceding the current fiscal year, and of the total amount deposited into any special funds created by legislation as of July 1st, 1993, that are nourished from resources generated by taxation.

Provided, That zero point twenty-seven percent (0.27%) shall be set aside to fund the Agricultural Experiment Station and the Agricultural Extension Service of the MayagLez University Campus, without this constituting a limitation to the appropriation of funds for these entities. The programs of these entities shall be consistent with the public policy of the agricultural development program for Puerto Rico established in close collaboration with the Department of Agriculture.

Credits

-Jan. 20, 1966, No. 2, p. 85, added as § 3 on Aug. 6, 1992, No. 46, § 1; Dec. 1, 1995, No. 226, § 1; Mar. 9, 2009, No. 7, § 31; Apr. 7, 2013, No. 7, § 2, eff. July 1, 2013.

History

Source.

Section 3 of Act Mar. 9, 2009, No. 7, provides: 'This Act is approved in the exercise of the police power of the State, and of the constitutional power of the Legislature, recognized in Article II, Sections 18 and 19 of our Constitution, to enact laws for the protection of the life, health and general welfare of the people, as well as to address serious emergencies that clearly imperil the public health, safety or essential public services, and pursuant to [Section 7](#) and [8 of Article VI of the Constitution of Puerto Rico](#).'

Purpose.

Section 2 of Act Mar. 9, 2009, No. 7, provides:

'An economic and fiscal state of emergency in the Government of the Commonwealth of Puerto Rico is hereby declared and an economic and fiscal stabilization plan is hereby adopted for the purpose of salvaging the credit of Puerto Rico.

'The economic analyses conducted by the Government of Puerto Rico are definite proof that the implementation of measures regarding revenues, spending reductions and financial issues, in an isolated manner, exclusive and independent from one another, shall achieve the purpose of eliminating the structural deficit of over \$3.2 billion faced by Puerto Rico. As evidenced, this structural deficit is the result of incorrect public administration policies, transactions of dubious legality, among other factors, which caused the appropriations to exceed the resources of the state.

'The Legislature, in the exercise of the police power of the state, is empowered to adopt those measures directed to protecting the health, safety and welfare of the people. To such effect, it is the legal authority of the Legislature to pass bills in order to address social and economic interests, as well as emergencies. Section 19 of our Bill of Rights provides that the rights set forth in Article II 'shall not be construed restrictively of the power of the Legislative Assembly to enact laws for the protection of the life, health and general welfare of the people.' Likewise, Section 18 of the Bill of Rights confers on this Legislature the authority to enact laws to deal with serious emergencies that clearly imperil the public health, safety or essential public services. Furthermore, our Supreme Law authorizes the imposition of sufficient taxes when appropriations exceed resources without protecting our credit, as it happens in the present situation.

'This Act addresses in a comprehensive and responsible manner the need to achieve the fiscal stabilization of the Government of Puerto Rico and protect its credit through: (a) new measures for revenues and better oversight (b) measures for control and reduction of spending; (c) fiscal and financing measures to cover budgetary insufficiencies while the measures for control and reduction of expenditures take effect, the financing of costs associated with the implementation of the spending cutback measures, and prevent adverse impacts in the General Fund due to the precarious fiscal situation of some public corporations and municipalities.

'In view of the economic and fiscal situation and to safeguard the health of the credit of the Commonwealth of Puerto Rico, the urgent need to establish a comprehensive and coherent fiscal stabilization plan, the elimination of the structural deficit, the amortization of the public debt, the recovery of fiscal health and the basis for the Government to boost the economic development of Puerto Rico is hereby established as the public policy of the Government of the Commonwealth of Puerto Rico.'

Section 1 of Act Apr. 7, 2013, No. 7, provides: 'It is the public policy of the Commonwealth of Puerto Rico to promote access to postsecondary education at the lowest cost feasible, and to the extent possible, guarantee equal educational opportunities in the University of Puerto Rico for all our residents.'

Amendments -2013.

Subsection (a): Act 2013 deleted 'with the exception of the money deposited in the Dedicated Sales Fund, as provided by § 12 of Title 13' at the end of the first paragraph and deleted 'For years beginning after June 30, 2009.-Beginning with fiscal year 2009-10.sic]' at the end of the second paragraph.

Subsection (b): Act 2013 deleted former subsection (b) regarding excluding from the calculation those revenues, collections or incomes received through the operation of the Special Act Declaring a State of Fiscal Emergency. **-2009.**

Act 2009 added subsection (b), redesignating the former first paragraph as (a); in subsection (a) added 'with the exception-as amended' after 'generated by taxation' and added the final two sentences; and deleted the former second paragraph, which read: 'The Agricultural Extension Service and the Agricultural Experiment Station shall request any additional funds needed for the development of their Programs to the University of Puerto Rico'. **-1995.**

Act 1995 changed 'fiscal year 1994' to 'fiscal year 1997' and 'nine and thirty-three hundredths of one percent (9.33%)' to 'nine point six percent (9.6%)'; added provisions to the end of the first paragraph, and added a second paragraph.

Effectiveness.

Section 7 of Act Apr. 7, 2013, No. 7, provides: 'This Act shall take effect immediately after its approval, except for Section 2, which shall take effect on July 1st, 2013, beginning with year 2013-2014 and each year thereafter.'

Section 72 of Act Mar. 9, 2009, No. 7, as amended by Act Apr. 23, 2009, No. 15, § 1, and further amended by Act June 8, 2009, No. 30, § 1, retroactive to Mar. 31, 2009, provides: 'This Act shall take effect immediately after its approval; provided, that the provisions of Section 4 shall be in effect for the taxable years beginning after December 31, 2008; the provisions pertaining to Subtitles B and D of the Internal Revenue Code and Sections 6 and 16 shall take effect as of June 1, 2009; the provisions pertaining to Section 7 shall take effect on July 1, 2009; the provisions pertaining to Subtitle BB of the Internal Revenue Code

shall take effect as of November 1, 2009; the provisions of Sections 10, 11, and 12 shall take effect on the tenth (10th) day of the month after the provisions in this Act that pertain to Subtitle BB of the Internal Revenue Code take effect; and the provisions of Sections 18 and 19 shall be in effect only for the taxable years beginning after December 31, 2008, and before January 1, 2012; and the provisions of Section 22 shall take effect on January 1, 2010.'

Statement of motives.

Aug. 6, 1992, No. 46.

Dec. 1, 1995, No. 226.

Mar. 9, 2009, No. 7.

Apr. 7, 2013, No. 7.

Title.

Section 1 of Act Mar. 9, 2009, No. 7, provides: 'This Act shall be known as the 'Special Act Declaring a State of Fiscal Emergency and Establishing a Comprehensive Fiscal Stabilization Plan to Salvage the Credit of Puerto Rico'.'

Separability.

Section 71 of Act Mar. 9, 2009, No. 7, provides: 'If any clause, paragraph, subparagraph, article, provision, section or part of this Act is annulled or ruled unconstitutional, the ruling to such effect shall not affect, impair, nor invalidate the remainder thereof. The effect of said ruling shall be limited to the clause, paragraph, subparagraph, article, provision, section or part thereof that has thus been annulled or ruled unconstitutional.'

Special provisions.

Section 6 of Act Apr. 7, 2013, No. 7, provides: 'Insofar as the provisions of this Act which amended this section are incompatible with those of any other law or regulations, the provisions of this Act shall prevail.'

Sections 68-70 of Act Mar. 9, 2009, No. 7, provide:

'Section 68.-Powers of the Governor.

'The Governor is hereby empowered to take all measures that are necessary and convenient, in addition to those provided by this Act, to cutback expenses through Executive Order; to promote economy in the Executive Branch to the maximum extent compatible with the efficient operation of the Government; to maintain efficiency in the operations of the Executive Branch to the greatest extent possible; and to group, coordinate and consolidate functions in all Agencies; all of this in accordance with the objectives of this Act. Provided, however, that the Governor shall not create, consolidate nor reorganize executive departments, nor eliminate bodies created by law. Those reorganizations requiring legislation or amendments to statutes in effect shall be presented before the Legislature for consideration.

'The powers granted under this Act shall not limit all others that the Governor may have and take, if the objective set forth by Section 33(g) is not achieved.

'Section 69.-Jurisdiction of the Supreme Court.

'The Supreme Court of the Commonwealth of Puerto Rico shall issue a writ of certification by petition to immediately bring before it and resolve any matter pending before the Court of First Instance or before the Court of Appeals when the issue is the validity or constitutionality of this special Act or any challenge thereof on any grounds.

'Section 70.-Immunity as to lawsuits and forums.

'This Act shall not affect the immunity of the State and its officers and officials regarding lawsuits and forums. Nothing of the herein provided authorizes actions for damages against the State, its officers or officials for actions or omissions of the latter resulting from compliance with this Act. Nothing of the herein provided shall be construed to constitute a waiver of the sovereign immunity of the Commonwealth of Puerto Rico. It is hereby reaffirmed that the JREF, the OMB, the GDB and all Agencies subject to this Act are and shall be considered agencies or branches of the State and as such, arms of the State.'

18 L.P.R.A. § 621-1, PR ST T. 18 § 621-1

Current through all acts translated by the Translation Office of the Puerto Rico Government through the 2011 Legislative Session and various acts from 2012 to the present. Appendices III (Rules of Civil Procedure) and IV (Rules of Evidence) of Title 32 have been replaced by Appendices V (Rules of Civil Procedure) and VI (Rules of Evidence) of Title 32 by Order of the Supreme Court dated Sept. 4, 2009, but the official translations are not yet available. Also, the official translations of Appendices XII through XXII of Title 3, which encompass various reorganization plans of the Puerto Rico Government and promulgated in 2010 through 2012, have not yet been received. For all missing translations, please consult the Spanish version.

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